



Electricity Oversight Board

Daily Report for Thursday, May 22, 2003

On Thursday, the average zonal prices were mixed, with SP15 at \$46.39/MWh decreased from Wednesday's \$58.69/MWh, while NP15 at \$40.47/MWh increased sharply from Wednesday's \$21.40/MWh. Congestion on Path 26 resulted in a split beep for the hours between 12:30 p.m. and 5:00 p.m. Although the total outage levels dropped from the previous day by over 1,700 MW of which 400 MW was the return of unplanned outages in addition to over-generation for the early morning hours that contributed to lowering the average price, the generally high prices for Thursday were mainly due to:

- Continued warm weather conditions, particularly in Northern California. Temperatures remained in the high 90s for Northern California that resulted in sustained cooling demand. While, a decline in temperatures by over 8 degrees in Southern California that settled in the high 70s contributed to lower prices for SP15.
- High natural gas price. Although the average natural gas price remained nearly unchanged from the previous day, it is near its peak as of April 1. On Thursday the average natural gas price increased from \$5.70/MMBtu on Wednesday to \$5.71/MMBtu on Thursday.
- Congestion on Path 26 in the North-to-South direction maintained higher prices for SP15.

The peak price at \$88/MWh that occurred at 3:00 p.m. could have been the result of congestion on Path 26 and the resulting split beep that occurred.

The CAISO changed the transmission line capacity rating for the following branch groups:

Northern-Oregon-Border (NOB) in the North to South direction was changed from 2,619 MW to 2,759 MW, between the hours 8:00 a.m. and 7:00 p.m. on Thursday.

Figure 1 - SP15 & NP15 7-Day Rolling Average Prices

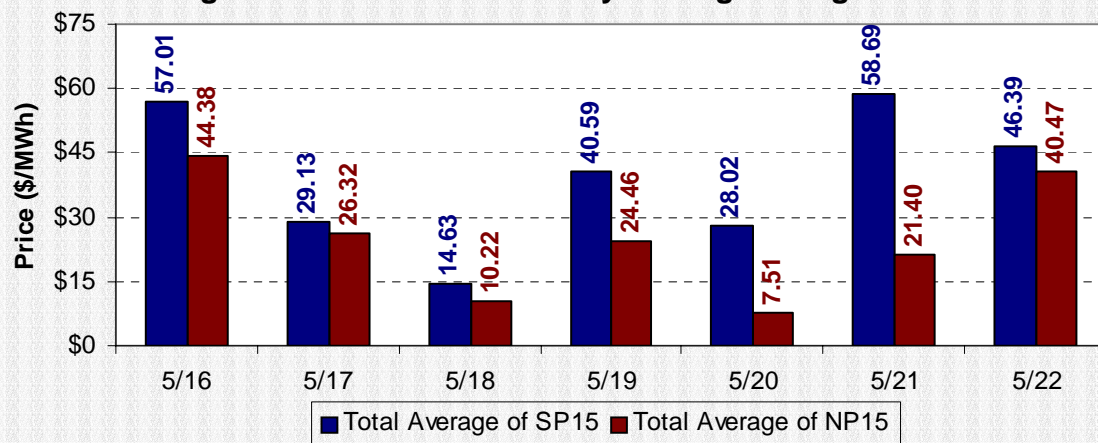
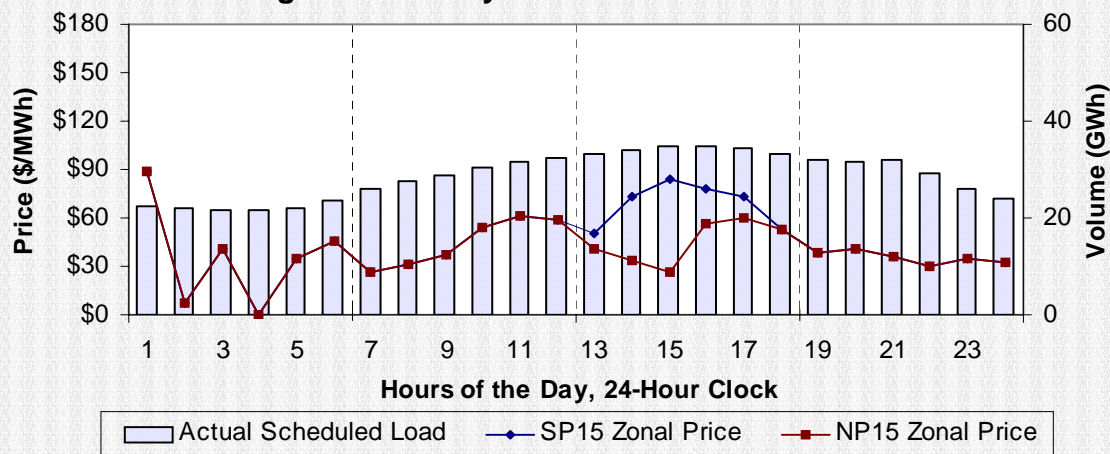


Figure 2 - Hourly Zonal Price and Volume





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Figure 3 - On-Peak Average Price by Market Area

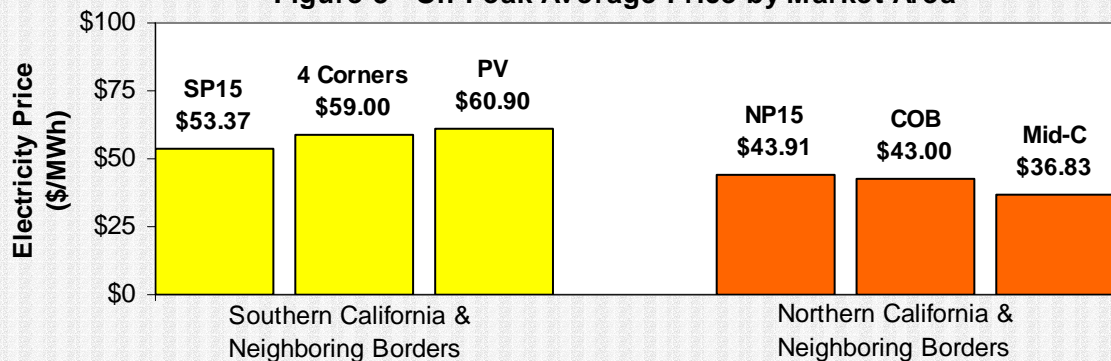


Figure 4 - Seven Day Snapshot of NP15 Zonal Price

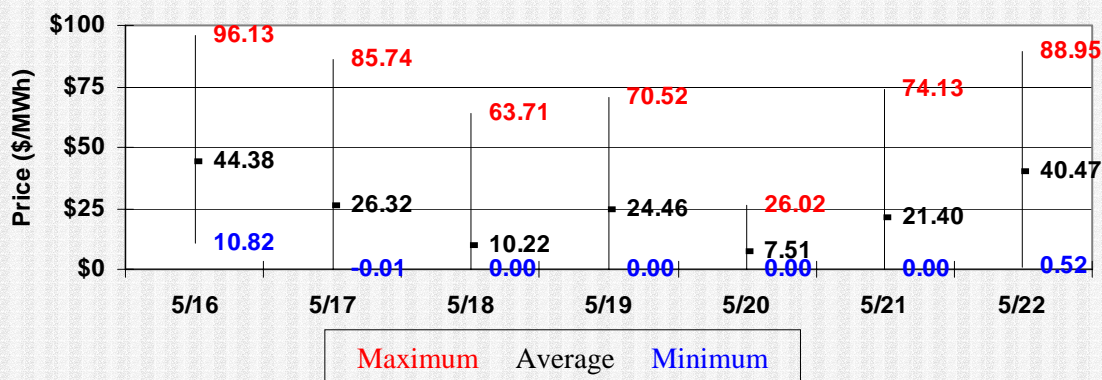


Figure 5 - Average Natural Gas Price

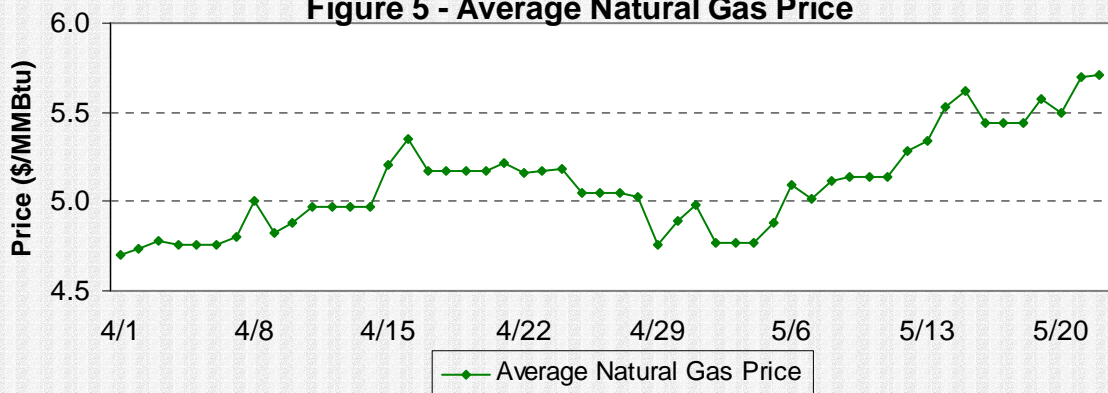


Figure 6 - Average Daily Zonal Price & Total Actual Load

